

SME WEEKLY NEWS

(30 January 2017 – 3 February 2017)

Countries	Highlights
<p>MALAYSIA</p> <p>TM sees growth boost from webe</p>	<p>Telekom Malaysia Bhd (TM) expects accelerated growth from recently-launched mobile portfolio webe to complement its fixed-line business Streamyx and UniFi, says its consumer and SMEs executive vice-president, Imri Mokhtar. “This year, TM will focus on the mass market and accelerate that by bringing the convergence experience out to home and SME customers,” he said. TM anticipated steady growth for its fixed-line business, which was fuelled by broadband. “Now that we have completed our convergence portfolio with the mobile, we expect accelerated growth to come from the business as we gain market share this year.” Another challenging year meant business as usual for the telco, it was crunch time for TM to up its game in delivering the value in services.</p> <p><i>(Source: New Straits Times, 31 January 2017)</i></p>
<p>MALAYSIA</p> <p>Changes to Companies Act positive for entrepreneurs and SMEs</p>	<p>The changes made to the Companies Act 2016 (Act 777) are positive for entrepreneurs as well as SMEs, because the new provisions will lower costs and improve the ease of doing business. Among the changes which benefit those aspiring to start a company is the abolition of the mandatory requirement to hold an AGM for private companies. A template has been introduced to allow individuals to complete the incorporation without requiring a company secretary to do so. According to the Companies Commission of Malaysia, the process of incorporating a company consisted of several requirements previously, which made the procedure complicated. Under the new provisions, only one person and one director are required for incorporating a private company, compared with at least two directors and two shareholders previously. That person can also serve as the director. The provisions are also intended to protect shareholders in private companies and public-listed firms.</p> <p><i>(Source: The Star, 2 February 2017)</i></p>
<p>THAILAND</p> <p>SME Bank offers factoring</p>	<p>The state-owned SME Development Bank of Thailand (SME Bank) plans to provide low-interest factoring financing worth 7 billion baht to improve the liquidity of small business operators. SMEs can sell their accounts receivable incurred to SME Bank, which will charge them at an interest rate of 3.99%. Those with accounts receivable whose debtors are in the private sector can convert them into cash at SME Bank with an interest rate of 4.99%. The factoring service will be available until the end of 2017, and the bank buys accounts receivable at maximum of 90% of the value of the outstanding receivables. The balance for accounts receivable are able to be sold to SME Bank and must range from 10,000 baht to 15 million. With the factoring service, SME operators can convert accounts receivable into cash immediately without having to wait for an invoice's due date, so their financial liquidity can be boosted rapidly, helping to sharpen their competitive edge.</p> <p><i>(Source: Bangkok Post, 3 February 2017)</i></p>

<p style="text-align: center;">INDONESIA</p> <p>Sri Mulyani Provides Incentives for SMEs</p>	<p>The Directorate General of Customs and Excise has decided to facilitate capital goods and raw material imports for SMEs. The initiative is expected to reduce production costs and at the same time, increase cash flow. The new regulation is also hoped to improve businesses activities in the domestic and international market. "Import and export process will be facilitated by providing simple import procedure, selective physical examination, postponing import restrictions, and simplifying imports through a special app," said Finance Minister, Sri Mulyani. The Directorate General of Customs and Excise has decided to exempt SMEs from import duties, value-added tax, and luxury goods tax. Sri Mulyani hoped that the incentive could rejuvenate exports, absorb more workers, and encourage the creation of SME-based tourism.</p> <p style="text-align: right;"><i>(Source: TEMPO.CO, 30 January 2017)</i></p>
<p style="text-align: center;">INDONESIA</p> <p>Indonesia Eximbank to boost SME exports</p>	<p>State-owned Indonesia Eximbank will play a pivotal role in boosting SMEs exports through export based people's business credit (Kurbe) and an incubator program. Acting president director of Indonesia Eximbank, Suswijono Moegiarso said it already disbursed 1 trillion rupiah (US\$74.95 million) Kurbe in 2016, a cross subsidy between big debtors and SMEs. For 2017, the Financial Service Authority (OJK) has recommended the bank to the Economic Coordinating Ministry for channeling government's Kurbe. "The Kurbe will help boost SMEs exports this year, we are really thankful to OJK for the recommendation," Suswijono said. There are five SMEs that already have Kurbe from the Eximbank with a total value of 13.3 billion rupiah, namely UD Daffi Art, CV Inducomp, CV Yudhistira, PT Banyan International and PT Bali Tangi. Those five SMEs also have a KITE import facility from the customs office. The bank would also provide mentoring and an incubation program for the export oriented SMEs called coaching programs for new exporters (CPNE).</p> <p style="text-align: right;"><i>(Source: The Jakarta Post ,31 January 2017)</i></p>
<p style="text-align: center;">INDONESIA</p> <p>New York Now 2017 to exhibit Indonesian SMEs` products</p>	<p>Indonesian SMEs' handicraft products will be exhibited in New York Now 2017 in August 2017. "This is a great opportunity for Indonesian SMEs to enter the US market," said President of Indonesian International Council for Small Business (ICSB), Hermawan Kartajaya. According to Hermawan, ICSB is ready to support the event that is initiated by the Indonesian Consulate General in New York City. The Consulate General in New York City also plans to partner up with US Handicraft Consultant in organizing a workshop of handicraft creations produced by SMEs in Jakarta, Bandung, Yogyakarta, and Surabaya. "Our goal is to select the products and the SMEs that are qualified to be promoted through the New York Now Exhibition in August 2017," says Hermawan.</p> <p style="text-align: right;"><i>(Source: TEMPO.CO, 1 February 2017)</i></p>

BUILT ON GIFT-GIVING

SOME dream of big and fancy business ideas, but for Printcious Gifts Sdn Bhd managing director Vincent Tong, 36, a business idea can be as simple as one that brings a smile to someone's face. He started a customised gift services business in 2015 with his twin brother, Henry Tong. The business started with an investment of RM100,000, five gift printing machines and a staff of ten. They now have 25 employees and 15 gift printing machines. Printcious Gifts basically provides customers with a platform to order customised gifts with their own photos. The designs will then be printed on various items such as mugs, t-shirts and tiles.

The major challenge for Printcious Gifts, though, was to educate a sceptical market about the possibilities of customising their own gifts. Customers always ask if there is a minimum order to meet, to which, Vincent answers with a flat "No". But the brothers try to keep their prices affordable. Vincent's e-commerce platform also enables other graphic designers to tap onto their customers. "Graphic designers can upload their designs and receive royalty fees when our customers select their design templates. We will receive a commission from the sale," Vincent says.

But Printcious Gifts also has its team of in-house graphic designers to churn out designs for its customers. The company currently serves over 1,000 corporate clients and 20,000 retail customers. It achieved a revenue of about RM1.5mil in 2016. Vincent hopes to roll out a business partner programme soon, which will involve other customised gift printers.



(Source: The Star, 30 January 2017)

Economics and Policy Division
SME Corp. Malaysia
6 February 2017